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NEWS RELEASE

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Brokerage Firm Agrees to Sanctions for Permitting Misleading “Free Lunch” Seminars *Speaker misrepresented credentials, firm failed to supervise its agent . . .*

SALT LAKE CITY, Utah – World Group Securities, a broker-dealer based in Duluth, Georgia, agreed to pay a \$50,000 fine and enhance its supervisory practices after two of its agents were found offering “free lunch” seminars for seniors and misrepresenting the credentials of one of the agents. World Group consented to an order entered by the Utah Division of Securities. The Securities Advisory Board approved the order today.

An investigation by the Division of Securities found that two World Group agents were conducting investment seminars targeting seniors. Andrew J. Moleff was a branch manager for World Group and John F. Hoschouer was a securities agent under Moleff’s supervision.

At the seminars, inaccurate and misleading information was presented in an attempt to persuade the seniors to transfer their investment accounts to Moleff. For example, Moleff told the audience that due to his skills, one of his clients can now afford to take three vacations a year and invited Moleff and his family to join the client on vacation. In truth, the client with whom Moleff vacationed was his father. Moleff also distributed materials that were not approved by World Group for dissemination to the public.

The Division of Securities initiated disciplinary proceedings against World Group and the agents in October 2006. In April 2007, the two agents admitted the conduct and consented to the entry of orders against them. Moleff was fined and barred from the securities industry. Hoschouer was fined and must requalify as a securities agent by successfully passing required examinations.

Today’s order finds that World Group engaged in misrepresentations by permitting some of its agents to distribute a magazine issue that highlighted an affiliate, World Financial Group, and that promoted World Group and its agents. World Group did not disclose that WFG paid to have the magazine issue created and that some agents paid to have their pictures on the covers of the magazine. The order also finds that the company failed to adequately supervise its agents. World Group consented to the order without admitting or denying the misconduct. The company will pay a \$50,000 fine, amend its procedures relating to approval of seminars, retrain its agents on the requirements for conducting seminars, and ensure misleading materials are not used.

With today’s order, these proceedings are concluded against all the respondents.